

BNY MELLON CAPITAL MARKETS LLC
(A Wholly Owned Subsidiary of BNY Mellon)

Schedule I

Computation of Net Capital Pursuant to Rule 15c3-1
of the Securities and Exchange Commission

As of December 31, 2015

Total member's equity	\$ 406,202,282
Subordinated liabilities	—
Tax effect of nonallowable asset (fees receivable)	<u>2,195,874</u>
Total capital and allowable subordinated liabilities	<u>408,398,156</u>
Deductions and/or charges:	
Nonallowable assets:	
Goodwill	46,665,786
Unrealized on TBA securities	7,701,466
Nonmarketable securities	20,875
Receivable from affiliates	131,709
Fees receivable	5,219,973
Furniture, equipment and leasehold improvements, at cost (net of accumulated depreciation of \$2,445,738)	413,637
Other assets	<u>11,745,184</u>
Total nonallowable assets	71,898,630
Aged fail to deliver	64,881
Other deductions and/or charges	<u>694,324</u>
Total deductions and/or charges	<u>72,657,835</u>
Net capital before haircuts on securities positions	<u>335,740,321</u>
Haircuts on securities:	
Bankers' acceptances, certificates of deposit and commercial paper	3,241,973
U.S. and Canadian government obligations	19,518,109
State and Municipal government obligations	5,561,045
Corporate obligations	20,420,562
Equity and options	3,044,612
Other	<u>5,324,812</u>
Total haircuts charges	<u>57,111,113</u>
Net capital	<u>278,629,208</u>
Alternative net capital requirements; greater of minimum dollar net capital requirement or 2% of aggregate debit items	<u>1,000,000</u>
Excess net capital	<u>\$ 277,629,208</u>

There are no material differences between this computation of net capital and the corresponding computation included in the Company's December 31, 2015 unaudited Part II FOCUS filing, dated February 10, 2016.

See accompanying Report of Independent Registered Public Accounting Firm.